



## **Financial Partners' Funding Requests Process and Procedures**

### **Introduction**

Financial Partners are agencies contracted with the City of Charlotte on an annual basis to provide specific services. These partnerships extend the City's capacity to address strategic priorities and concerns of the community, such as:

- Partnerships that support the City Council's five strategic Focus Areas for the City (Community Safety, Economic Development, Environment, Housing and Neighborhood Development, and Transportation and Planning),
- Partnerships that contribute to community enrichment, and
- Partnerships due to special legislation (such as tax allocations)

There are two primary funding categories of Financial Partners – General Fund and Housing and Neighborhood Services:

- General Fund – General Funded Financial Partners are coordinated by the Strategy and Budget Department and includes direct discretionary allocations from the General Fund as well as formula-driven, dedicated revenue sources, such as Municipal Service District tax revenue.
- Housing and Neighborhood Services – Housing and Neighborhood Services Financial Partners are coordinated by the Housing and Neighborhood Services Department, and submitted to the Strategy and Budget Department as part of the annual budget process. These partners are funded by Innovative Housing funding in Pay-As-You-Go capital and federal Community Development Block Grant and HOME grants for services such as: 1) Housing and Community Development, 2) Crisis Assistance, and 3) Out-of-School Time Partners

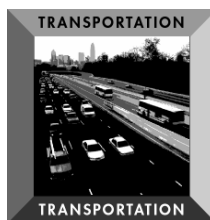
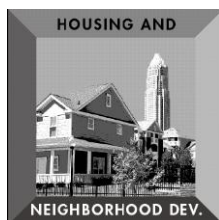
While the processes and procedures for both General Fund and Housing and Neighborhood Services Financial Partners may be similar, **this document is specific to General Fund Financial Partners.**

### **Application Components**

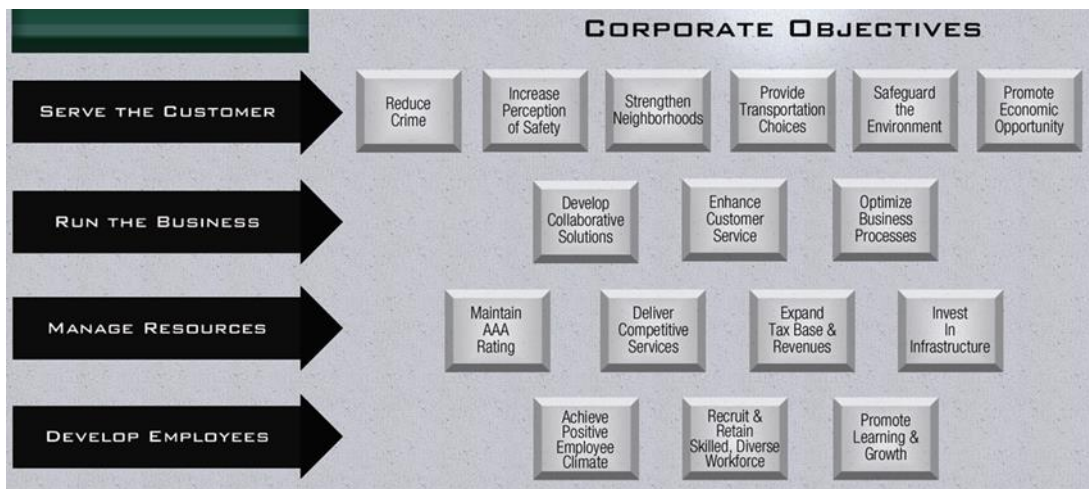
The following information details the required components of the Financial Partner's funding request application.

#### **1. Agency and Program Information**

- a. This section provides prospective Financial Partners the opportunity to describe their services and program objectives.
- b. The City of Charlotte uses the Corporate Balanced Scorecard as its performance management tool. Organizations requesting funding are required to demonstrate how their services support the City's Focus Areas and Corporate Objectives. The City Council's five strategic Focus Areas are:



- c. Financial Partners must develop specific measures and targets that link to the City's corporate objectives, identifying the corporate objective(s) which their services most directly contribute. Those 16 corporate objectives are presented below:



- d. Agencies should place emphasis on developing agency goals and measures that are specific and measurable and that describe benefits, results, or program outcomes. When evaluated, they should provide relevant information on the agency's performance.

## 2. **Total Agency Budget**

This section of the Financial Partner's funding request application captures the agency's total revenue and expense budget information and the total funding amount requested from the City. Agencies that provide several services must complete this section, even if the agency is only requesting funding for a specific program.

## 3. **Total Program Budget (only if the agency is requesting funds for a specific program)**

If the agency is requesting City funding for a specific program, this section reflects only those program funds. If City funding is being requested as part of the total agency budget, completion of this section is not required.

#### **4. Application Attachments**

In addition to completing the Financial Partner's funding request application, agencies must provide the following:

##### **Organizational Structure**

- Roster of current Board of Directors to include appointment process meeting schedule, attendance policies , and by-laws
- Chart of organization structure to include chain of command and functional areas

##### **Policies**

- Human Resources Policies and Personnel Policies (e.g. policies regarding recruitment, employment practices, and compensation)
- Financial Policies (e.g. policies and practices regarding fund balances, restricted funds, deposits, transfer of funds, investing, purchasing, vendor selection, employee reimbursement/travel, and grant administration)
- Records and Retention Policies (e.g. Records retention and disposition schedule/policy)

##### **Financials**

- Proof of Non-profit Status: 501(c)3 designation from the Internal Revenue Service
- Annual Financial Audit conducted by a certified public accountant that follows general accounting practices. The financials must be a two-year comparative on a fiscal year consistent with the City, and include a chart of accounts
- Compensation Disclosure: Salary and benefits for all employees, including both City-funded positions and positions funded by other sources

#### **Proposal Review Process**

Financial Partners' funding requests are subject to a multiple review process:

- The City's Strategy and Budget Department reviews requests for funding and presents a summary of all agencies requesting funding to the City Council as part of their budget workshops in the spring
- The City Council reviews requests for funding and discusses the requesting agencies' achievements, strategic alignment, and funding levels during the budget development process
- The City's Strategy and Budget Department works with the City Manager's Office to review citywide revenue levels and requests from City departments and Financial Partners
- The City Manager presents the recommended budget to the City Council and the City Council votes on the budget recommendation. All requests for City funding must be approved by the City Council
- The City's Strategy and Budget Department notifies approved Financial Partners of the City Council's funding allotments, providing a contract and reporting requirements

## **Requirements of Financial Partners if City Funding is Approved**

If the Financial Partner's funding request is approved by the City Council during the annual budget development process, the following are required throughout the fiscal year:

### Reporting and Program Evaluation

Financial Partners contracted to receive funding from the City are required to submit two program objectives reports during the fiscal year. The first required objectives report is submitted at mid-year and the final report is submitted at year-end. The objectives report should focus on activities related to the agency's scope of services and program objectives and indicate the extent to which goals and objectives are being achieved and/or have been achieved. If performance is not at the expected level, the agency must submit an explanation for the deviation and describe actions it will take to remedy the situation. The City Council reviews summaries of these reports as part of both the budget development and program evaluation processes. Performance is determined as "meeting goal" based on the level of achievement realized through the reporting period. For instance, at mid-year, agencies should have achieved 50% of their performance targets.

Financial Partners must submit semi-annual utilization reports supporting the initiatives of the Charlotte Business INclusion program, which seeks to promote diversity, inclusion, and local business opportunities in the City's contracting and procurement process for minority women, and small business enterprises headquartered in the Charlotte Combines Statistical Area. Financial Partners are required to support the initiatives of the Charlotte Business INclusion program by meeting a Minority, Women, and Small Business Enterprise participation goal of one percent of your total City funding awards. Additional information on the Charlotte Business INclusion program can be found at the following site: [charmeck.org/city/charlotte/CharlotteBusinessInclusion/Pages/default.aspx](http://charmeck.org/city/charlotte/CharlotteBusinessInclusion/Pages/default.aspx)

### Financial Audits

Financial Partners are also required to submit a financial audit at its own expense. The audit period should coincide with the City's fiscal year, July 1 through June 30. Financial audits must meet the below criteria:

- Financial audits must be conducted by a certified public accountant,
- Follow general accounting practices,
- Financials must be two-year comparative, completed on a fiscal year that is consistent with the City, and include a chart of accounts

### Program Evaluation

Financial Partners may be subject to a program evaluation. Program evaluations can include:

- Reviewing current financial relationship with City of Charlotte,
- Agency background and partnership history (if applicable),
- Assessing achievement of the City Council's goals and alignment with City of Charlotte strategic objectives,
- Performance measurement evaluation and customer evaluation,
- Cost/benefits analysis and benchmarking, and
- Identification of program challenges

Financial Partners may also be subject to a performance audit conducted by external consultants per the City Council's discretion. The City of Charlotte's Strategy and Budget Department notifies Financial Partners of requirements and scope of the evaluation upon selection.

### **Financial Partner Timeline**

- *October:* The City of Charlotte's Financial Partners' Funding Request Application and resource links are posted on website: <http://charmeck.org/city/charlotte/MFS/Pages/Financial-Partners.aspx>.
- *Early-December/Mid-January:* Financial Partners' funding request applications are due to the City's Strategy and Budget Department
- *Mid-January:* Current Financial Partners' mid-year objectives and the Charlotte Business INClusion Minority, Women, & Small Business Enterprises (MWSBEs) Reports are due to the City's Strategy and Budget Department
- *February/March:* Financial Partners' funding requests summaries are presented to the City Council as part of the annual Budget Workshops
- *Late-April:* Recommendation Letters are sent to agencies included in the City Manager's Recommended budget, communicating the recommended funding level and remaining events scheduled for the budget process
- *Early-to-Mid June:* City Council votes on the budget
- *Mid-to-Late June:* Approved Financial Partners receive Notification Letters with contracts and reporting requirements
- *First week of July:* Approved Financial Partners return signed (hard copy) contracts to the City's Strategy and Budget Department
- *Mid-July:* Current Financial Partners' year-end objectives and the Charlotte Business INClusion Minority, Women, & Small Business Enterprises (MWSBEs) Reports are due to the City's Strategy and Budget Department
- *Late-July:* Approved Financial Partners receive executed contracts signed by City Manager's Office

### **Additional Information**

Feel free to contact the City's Strategy and Budget Department with any questions about the Financial Partners' funding requests process and procedures at (704) 336-2306.